A STUDY ON EFFECTIVENESS OF TRAINING & DEVELOPMENT WITH REFERENCE TO EMPLOYEES OF PRIVATE BANKING SECTOR IN MUMBAI , MAHARASTRA.

A Synopsis

Submitted in

partial fulfillment for the degree

of

Doctor of Philosophy
(Management)

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September, 2013

Introduction

"The most valuable asset of a 20th century company was its production Equipment. The most valuable asset of a 21st century institution will be its knowledge Workers and their productivity (Ducker 1999)."

With the extensive competition, greater demand for providing better product and services, continuously changes in technology and business environment today commercial banking sector is demanding more than ever in the past, today the emphasis is on trained employees in order to meet the requirements of the customer and the business survival. Today banking industry is calling for up to date/latest and broader banking knowledge, skills, abilities for maintaining their existence and growth, which demand for the proper and effective training to the employees. Training and development offer competitive advantage to a firm by removing performance deficiencies, making employee stay long and meeting future employee needs.

Training as an organisational intervention may be defined as a well thought of set of activities aimed facilitates learning of knowledge, attitude and skills among its people in the organisation to improve their current job performance and contribute to the achievement of organisational goals. On the other hand, development pertains to long term planned efforts to enhance the total growth of human resource that will lead to the fulfilment of personal and organisational goals.

For the development of human asset, 'training' becomes the base. Training is a tool to attain individual, organizational needs related to the jobs undertaken and is also intended to improve the work culture of the group involved in a group task. An ideal training programme can be expected to change the attitude, skill and develop forward vision of the participants towards the task.

The training and development programmes used by organizations may have an effect, direct or indirect on employee motivation, performance, job satisfaction, career development and organizational commitment. It is necessary for the organization to restructure and reinforce the human assets to adapt itself to changes. It is of paramount importance to any organization to strive for the development of its employees as esteemed members of the organizational management team.

The training effectiveness is dependent of two considerations, (1) Trainers are fully responsible for training and if the employees do not show results, the trainer should be held

accountable. (2) Training effectiveness depends on the kind of atmosphere and culture that is prevalent back at home (Mehta 1970). Training programmes should focus on corporate planning, organizational development and personnel management (Srinivasan 1977).

The present challenging opportunities before the Indian commercial banking system emerged due to globalization, banking sector reforms, deregulation process and increasing use of informational technology and computerization. All these aspects, gave rise to the start of human resource development in commercial bank too. In order to meet the challenges, the employees of the bank become main target point. For the traditional banks, employees needed to be properly developed so as to develop technology, to manage the new risks arise, to cope up the wider markets and to incorporate professional touch. Their major responsibility in this regard is to build up a right mix of skills, attitude and conceptual understanding amongst their employees. For achieving this, a continuous process of training interventions in banks is a must. Despite years of training and huge investment, the effectiveness of training programmes of the Indian public and private sector banks is a matter of concern.

Importance of Study

To study the effectiveness of training and development in the banking sector is the subject matter of the study. The sample selected for this comparative study is the employees of banking in private sector in Mumbai, Maharashtra. So we will find out that there exist relationship between effectiveness of training and development on attitude, motivation level, Job satisfaction and career development of bank employees of private sector banks in Mumbai and Training and development practices and measures are viewed by the bank employees as essential for achieving organizational goals as also for developing careers of bank employees at their own level.

Research Objectives and Problems

This research study provides an opportunity to explore one of the important field of Human Resource and its effectiveness in Banking Industry. Since the problem of the study has been identified by the researchers in general and banking in particular, it is expected that the study will fill up the gap to some extent.

1) To identify the attitude of the bank employee towards the training and development programmes in private sector commercial banks of Mumbai, Maharashtra.

2) To find the relation between effectiveness of training and development on motivation level, Job satisfaction and career development of bank employees in the private sector commercial banks.

3) To study the perception of the bank employees for resolving the pertinent challenges of the training and development programmes practices and measures in banking.

4) To assess the effectiveness of training from an employee's perspective reading the existing training and development policies being in force in private sector commercial banks.

5) To suggest measures to enhance the effectiveness of the training programmes.

Review of Literature

Prior studies relating to training evaluation (e.g., **Kirkpatrick 1994, Bramley Kitson 1994, Clements and Josiam 1995, and Bedingham 1997)** indicate that companies use different levels of analysis to evaluate training effectiveness. Some companies follow a traditional approach that focuses on trainees' attitudes or reactions to a training programme (e.g. trainee's opinions about training materials, delivery methods, effectiveness of the trainers, usefulness of the training programme etc.). Others extend the training evaluation to incorporate some measured outcomes of the training programmes (e.g. skills learned or knowledge gained, measured changes in trainees' behaviour on the job after the training etc.). Still other companies seek to measure the net financial effects of the training programmes (or their returns) to the company as a whole, or to its individual departments.

Bramely and Kitson (1994) indicated that measuring the effectiveness of a training programme at the reaction level and / or the levels of skills learned or knowledge gained are the most common approaches that companies use.

Perdue, Ninemeier, and Woods (2002) assessed perceived relative effectiveness of alternative training methods (in relation to specific objectives) among managers of private clubs. They used an email questionnaire to collect their data from a random sample of 123 private club managers in USA. The results indicated that one to one training is considered the most useful overall method and the preferred method for all objectives except inter-personal skill development. The use of video-tapes ranked fifth best as an overall training method. Audio conferencing, paper and pencil methods, programme instruction, audio-tapes, computer conferencing, and self-assessment were considered the least effective training methods.

Kolekar after making study in select public Sector undertaking of Central and State Governments in India concluded that executives of all the selected public sector undertaking have reported that training is useful for increasing the profitability of the undertakings.

Priyadarshini and Venkatapathy (2003) studied the impact of Human Resource Development in the private sector banks in our country and concluded that top performing

private banks have the highest extent of training imparted and low performing private banks have the lowest score on training due to the poor infrastructure facilities and resources

Sambamurthy in the study cited earlier concludes that training and development should be considered as an investment and not as expenditure. Like any other investment, it yields result over a period of time. However, the result of this process cannot be easily quantified. Systematic identification of training needs may be done through performance appraisal.

A study conducted by **Riyaz Rainaye (2004)** in SBI and Jammu and Kashmir Bank (JKB) Limited to assess the effectiveness of the various facets of training. He collected the data by administering the questionnaire 'Training Effectiveness' developed by T. V. Rao (2000).Sample size for the study was restricted to 200 cashier-clerks and 100 managers from each bank .He came out with the following conclusions. In JKB, line managers are not well involved in employee development; induction training is not of sufficient duration, training is not evaluated properly, senior executives do not interact properly with subordinate employees; training objectives are not sharply perceived and achieved; there is no concentration on development of human skills. However, standards of external training programmes and in-bank programmes are well maintained. In SBI even though management claims excellence barring a few improvements needed in Training Need Analysis (TNA) and transfer of training to the job, its own clerk's doubt the claim.

Shishupal Singh Badhu and Karunesh Saxena (1999), Role of Training in Developing Human Resources is another work of relevance. In this, the authors concluded that an organization should have well-defined training policy as well as training manual and training should be made an on-going process. Regarding the executive development programmes the authors have concluded that, these programmes have been found to be useful in improving the productivity, efficiency and effectiveness of managers. The authors have suggested that these programmes should be included as an integral part of the training programme.

K Karthikeyan, R.Karthi and Shyamala Graf (2010) in their entitled " Impact of Training in Indian Banking Sector – An Empirical Investigation" concluded that In the banking sector, employee's behaviour plays a vital role in improving the productivity of an organization. By incorporating personality development programmes such as role play, group discussion and business games the superior and subordinate relationship can be strengthened. Banks should take necessary steps in such a way that employees should feel training is

essential to enhance the productivity and customer satisfaction to meet the present business challenges in India.

Ajit Jadhav in his research paper entitled "A Study on Training and Development in Indian Banks" concludes that private and public Indian banks undertake training and development programmes for their employees to increase their efficiency, banks provide training programmes to enhance their knowledge and skills to satisfy the customers. Growth of banking sector in India is the result of skilled manpower which is the outcome of training and development.

Methodology

1) Location of the study
2) Universe of the study
3) Sampling design
4) Selection of respondents
5) Delimitation of the study
6) Selection of tools
7) Collection of data
8) Analysis of the data

1) Location of the study

The research on attitude towards training & development amongst employees of banking sector is limited to the geographical limits of Mumbai district and respondents are limited to the employees of public and private sector banks.

2) Universe of the study

The regular employees of all private sector commercial banks in Mumbai district constitute its population or universe.

3) Sampling design

For the research stratified proportionate random sampling technique shall be adopted.

4) Selection of respondents

Only those employees shall be taken as respondents who are regular employees of the banks in the managerial and non-managerial cadre.

5) Limitation of the study

Time constraints and resource constraints prevent the researcher to carry out this study in whole state of Maharashtra.

6) Collection of data

The primary data shall be collected through a standardised questionnaire and secondary data from various sources such as books, magazines, online journals, other authentic sources

7) Analysis of the data

The primary data collected shall be analysed using SPSS (statistical package for social sciences). Statistical tools like t test,anova, regression analysis, confirmatory factor analysis etc. shall be applied.

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